Resource raising targets by banks

3442. SHRI SATISH PRADHAN : Will the Minister of FINANCE be pleased to state :

(a) whether Government are considering a proposal to allow nationalised banks to go public soon;

(b) if so, what are the details of the proposal under consideration/cleared and phasing of the programme and resources likely to be made available as a result of shedding some shares of the banks to public;

(c) what is the total resource raising target by such exercise from banks and other public sector/state sector undertakings; and

(d) what are the details of plan for utilisation of these funds ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS : (DR. ABRAR AHMED) : (a) to (d) While presenting the Union Budget for 1993-94, the Finance Minister has stated that Government have decided that State Bank of India as well as other nationalised banks which are in a position to do so will be allowed to access the capital markets to raise fresh equity to meet their shortfall in capital requirements over the next three years. Finance Minister has also stated that Government will continue to retain majority ownership and, therefore, effective control in the public sector banks.

Tax Holiday in States

3443. SHRI VIRENDRA KATARIA : Will the Minister of FINANCE be pleased to state :

(a) what are the States which are enjoying tax holiday, besides the north-eastern States, included in the budget proposals for the year 1993-94 and since when;

(b) what has been the impact of such tax holiday in attracting new industries and boosting the existing industries;

(c) whether Government propose to provide tax holiday in Punjab to boost industrial progress in that state which had suffered worst setbacks due to terrorism; and

(d) if so, what are the details in this regard and if not, what are the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) The new tax holiday provision will be available to new industrial undertakings set up in the North-Eastern States, Sikkim, Himachal Pradesh, Jammu & Kashmir, Goa, Daman & Diu, Dadra and Nagar Haveli, Pondicherry, Lakshdweep and the Andaman & Nicobar Islands.

(b) It is too early to say about the impact of such tax holiday in attracting new industries and boosting the existing industries.

(c) & (d) No, Sir. The tax holiday is intended to encourage industrialisation in States in which all the districts are industrially backward and where, as a consequence, there can be no transfer of resources from the industrially developed districts to the backward ones by the State Government.

Bringing Banks under concurrent Audit Scheme

3444. SHRI B. K. HARIPRASAD : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government are considering to bring selected branches of public sector banks, under the concurrent audit scheme to prevent irregularities; and

(b) if so, whether Government would also consider combing social audit of the banks with this exercise so that the interests of small depositors are also safeguarded ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) and (b) Reserve Bank of India (RBI) have reported that as per the recommendations of Ghosh Committee on Frauds and Malpractices in Banks, introduction of concurrent